

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Angel Island – Tiburon Ferry, Inc., for authorization to increase passenger fares for the transportation of passengers between Tiburon and Angel Island.

Application 02-04-009
(Filed April 2, 2002)

O P I N I O N**Summary**

Angel Island-Tiburon Ferry, Inc. (Applicant) is granted a fare increase for service between Tiburon and Angel Island.

Background

Applicant operates a passenger vessel common carrier between Tiburon and Angel Island, California, home of Angel Island State Park. The current base fares are \$4.00 round trip for adults and \$3.00 for children ages 5-11. Children under five ride free. Applicant proposes to raise the adult and child fares by \$2.00. At the present time there is a surcharge of \$0.50 applied to the fares, but this surcharge will expire on June 30, 2002 pursuant to Commission Resolution 18989. Applicant received its last base fares three years ago. Applicant is the sole provider of service between Tiburon and Angel Island, though service to the island may be obtained from San Francisco and Oakland/Alameda.

Facts

Applicant's verified application indicates a loss of \$190,962.17 for the calendar year 2001 without the surcharge currently in effect. With this

surcharge, the anticipated loss is \$145,298.67. Under the proposed fare increase, Applicant would still have suffered a loss of \$26,118.76 for 2001.

Applicant indicates that it has suffered a severe reduction of passengers since September 2001 in comparison to 2000. This diminution has contributed to the on-going revenue loss.

Discussion

Applicant's showing indicates that it would not have broken even in the year 2001 under the proposed fares. In addition, the \$0.50 surcharge presently allowed to Applicant will terminate shortly, further diminishing Applicant's revenue. This application was filed on April 2, 2002. There have been no protests. Applicant seeks an immediate fare increase and asks that publication be made on shortened notice under Section 491 of the Public Utilities Code.

Notice of this matter appeared in the Commission's Daily Calendar on April 15, 2002. In Resolution ALJ 176-3086, dated April 22, 2002, the Commission preliminarily categorized this application as ratesetting and preliminarily determined that a hearing was not necessary. There is no reason to disturb the preliminary determinations.

This is an uncontested matter in which the decision grants the relief requested in the application. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code, the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. Applicant operates a passenger vessel common carrier between Tiburon and Angel Island.
2. Applicant seeks to increase its base fares for children and adults by \$2.00

3. A temporary increase of \$0.50 permitted to Applicant will expire on June 30, 2002.

4. Applicant projects a net operating loss even with the fare increases requested.

5. There are no competitors to Applicant on the Tiburon-Angel Island route, though the island may be reached from San Francisco and Oakland/Alameda.

6. There have been no protests filed in this matter.

7. The increase in rates is reasonable.

Conclusions of Law

1. The application should be granted.

2. Since Applicant is now operating at a loss, and will continue to so operate even under the proposed fares, this order should become immediately effective.

3. Applicant should be authorized to publish the new fares and make them effective on less than 30 days' notice as permitted by Public Utilities Code Section 491.

O R D E R

IT IS ORDERED that:

1. This application is granted.

2. To implement the increases authorized in this order, Applicant shall, on or after the effective date of this order, file revised tariff sheets in accordance with General Order 117 Series. The revised sheets and the fares listed in them shall be made effective no earlier than five days after the date of filing.

3. Applicant shall inform the public of the increased fares and their effective date by posting notice on its passenger vessels. Such notice shall be posted not

later than the date the new fares take effect and shall remain posted for not less than 30 days.

4. This matter is closed.

This order is effective today.

Dated _____, at San Francisco, California.